Sanitized - Approved For Releasing A-RDP33-02415A000200260014-5

OSA-1074-64

29 August 1962

25X1A9a

MEMORANDUM FOR:

Assistant to the Deputy Director, Support

SUBJECT

: Justification for OSA to Possess its own Travel Office Separate and Apart from the

Central Processing Branch

25X1A9a

1. In an attempt to provide the justification of why we in OSA and why it is imperative that he remain separate and apart from the Central Processing Branch, I have rummaged through basic decuments prepared during the formulation of Project AQUATONE and have come upon a memorandum from Mr. Richard Bissell, who was then Project Director and also Special Assistant to the Eirector for Planning and Coordination. In that memorandum which was directed to the Deputy Chief of Staff, Operations, United States Air Force, Mr. Bissell outlined the basic concept of the project. From it I quote, "Knowledge of the project will be limited to the narrowest possible circle of those who need to know. The circle would be widened dangerously if staff elements at several levels in a long chain of command had to be included. Largely for this reason, the project has been organised outside of established command channels in both the CIA and the Air Force. . . . within the CIA project organization has been established which will consist eventually of a Project Headquarters in Washington and three special detachments in the field. . . . the headquarters will be responsible specifically for operational planning for the clearance of policies, and of operational plans with other departments and with higher authority to insure conformity to national policy and for the coordination of operations and allocation and movement of personnel and materiel among the field detachments. The Project Headquarters will also be responsible for continuing development, procurement, and recruitment activities in connection with this project." In furtherance of this basic concept and in performing the responsibilities accepted by CIA in this joint project, it was necessary for Project AQUATONE to establish itself, so to speak, as a separate entity within the CIA. For this reason, the project

-2-

manned its own Administration Staff; Personnel Branch, to handle recruitment as well as normal personnel administration; Comptroller's Office; Contracts Division; Materiel Branch; Security Staff; Cemmunications Center, which I might add is independent of normal CIA communications facilities; and, in the case at point, its own Travel Section.

2. In the Inspector General's report of Survey dated February, 1962, in commenting on the general observations of DPD, new OSA, the Inspector General reported, "Its principal features were stringent security.... Within the Development Projects Staff essential functions were almost completely compartmented from their counterparts in the Agency. The already modified legal and procedural systems of CIA were further modified not simply to conceal all evidence of the activity from persons outside the Staff but to expedite action by eliminating normal procedures in authorisation, contracting, procurement and project administration. Remarkable and revolutionary results came from this new, highly adapted management pattern. Two aspects stand out. The first was the clean focus on the single objective of operating.... The second was the freedom, concentration, and continuity of the very aggressive project management.

25X1A9a

- reassigned from the Central Processing Branch to the then "Pian and Coordination Staff, Project ACUATONE", Office of the Director. Because of the strict need for compartmentation and to preserve the basic concept for security, Project ACUATONE developed its own Travel Section to operate independently of the Central Processing Eranch. The reasons which prompted the formulation of our own Travel Section at that time have not diminished during the ensuing years but rather have multiplied by the number of extremely sensitive projects which this office is now engaged in and/or will continue to develop.
- 4. It remains paramount that the names and whereabouts of OSA personnel and the Air Force and industrial contractor personnel associated with it be restricted to those individuals and channels which have received the painstaking clearance to be permitted such knowledge.

- 5. It remains equally important that the travel orders, as well as all fiscal and financial documentation concerning our special projects are retained within the Office of Special Activities, as has been the custom for the past.
- 6. In addition to the security reasons justifying the need for compartmentation, our mode of operation is somewhat unique in itself and demanding of particular care and attention. The fast movement of our operations and the repeated requirement for staging aircraft and personnel overnight makes it imperative that this office has at its command a travel unit capable to respond immediately and at all hours. The deployment of headquarters personnel to augment detachment operations at a moment's notice is not at all uncommon.
- 7. The nature of our day-to-day activities requires constant travel of headquarters technicians and engineers to the plants where our scientific and technical equipment is being developed. We have averaged in excess of \$65,000 per month during the first seven months of calendar year, 1962. The volume of such transportation would suggest the need for our own travel office out of sheer efficiency and convenience.

25X1A9a

8. And again himself is a most valuable asset to this office. His contacts in the transportation industry have proven invaluable at most critical times. Equipped with the priority which the Air Force has rendered our projects, well established within the military transportation circles, providing us with yet: another tangible asset.

25X1A9a

25X1A9a

9. As an individual, walue was well noted back in April, 1956, when he transferred from Central Processing to Project AQUATONE, and the Director insisted that continue to handle his personal travel. His fame quickly spread; and now, more aften than not, is responsible for the travel of all the Deputy Directors and other front-office personalities.

25X1A9a

25X1A9a

-4-

10. To deprive OSA of its own travel unit at this time would not only place in jeopardy our hasic principles of sound security and compartmentation, but also would hamper the speed and efficiency of our operational movement and activity.

SIGNED

JOHN N. McMAHON Executive Officer, OSA

Distribution:

Orig and 1 - Addressee

1 - Travel/OSA

1 - FB/OSA

1 - AAD/OSA

1 - Admin/OSA

1 - RI/OSA